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DEPARTMENT FOR ARGENTINE DESK OFFICER RONDON

E.O. 11652: NA  
TAGS: SHUM, PINS, AR  
SUBJECT: VIDELA DISCUSSES GRAIVER AFFAIR

ARGENTINA PROJECT (S200000044)

U.S. DEPT. OF STATE, A/RPS/IPS

Margaret P. Grafeld, Director

☒ Release ( ) Excise ( ) Deny

Exemption(s):

Declassify: ( ) In Part ( ) In Full

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Date Declassify on Reason

REF: BUENOS AIRES 2875

1. PRESIDENT VIDELA LED OFF THE ARMY'S FOUR-HOUR PRESS CONFERENCE APRIL 19 WITH AN INTRODUCTORY STATEMENT CONCERNING THE WAR AGAINST SUBVERSION AND TERRORISM IN ARGENTINA, A SUBSTANTIAL PORTION OF WHICH WAS DEVOTED TO AN OVERVIEW OF THE GRAIVER CASE. VIDELA SHOWED UNACCUSTOMED EMOTION AND FORCEFULNESS IN DISCUSSING THE EXTENT OF SUBVERSION IN ARGENTINA AND SEEMED PARTICULARLY INDIGNANT WHEN HE GOT AROUND TO HIS EXPOSITION OF HOW THE GRAIVER AFFAIR FIT INTO THE SUBVERSIVE THREAT. VIDELA THEN EXCUSED HIMSELF FROM THE MEETING, SAYING HE HAD TO PREPARE FOR HIS DEPARTURE TODAY FOR PARAGUAY, AND TURNED THE BRIEFING OVER TO GENERALS VIOLA, MARTINEZ AND JAUREGUI WHO DREW A DETAILED PICTURE OF THE ORGANIZATION OF THE VARIOUS SUBVERSIVE GROUPS, THE SUCCESSFUL TUCUMAN OPERATION AGAINST THE ERP AND AN EVALUATION OF THE CURRENT STRENGTH AND TACTICS OF SUBVERSION.

2. IN LEADING INTO THE GRAIVER CASE, VIDELA STATED THAT HE DID  
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NOT WISH TO EVADE HIS RESPONSIBILITY TO INFORM PUBLIC OPINION OF THE CONNECTION BETWEEN THE GRAIVER AFFAIR AND SUBVERSION, BUT HE DID SO HOPING THAT THE REPORTERS WOULD NOT LOSE SIGHT OF THE FOREST (THE GLOBAL SUBVERSIVE PROBLEM) FOR THE TREES. THE "SO-CALLED GRAIVER CASE IS IMPORTANT, TRANSCENDENTAL AND SPECTACULAR," HE SAID, "BUT IT IS ONE PART OF THE WHOLE WHICH WE WILL DISCUSS IN DETAIL, WHICH IS SUBVERSION, BECAUSE THE GRAIVER CASE IS A CASE OF SUBVERSION." THE PRESIDENT'S TEXTUAL REMARKS CONCERNING GRAIVER FOLLOW:

2WHAT IS THE GRAIVER CASE? AS A RESULT OF AN INVESTIGATION CARRIED OUT BY THE POLICE OF THE PROVINCE OF BUENOS AIRES WITH REFERENCE TO ILLEGAL HANDLING OF FOREIGN CURRENCY AND DUE TO STATEMENTS ISSUED BY A CERTAIN GROUP OF PERSONS, DOCUMENTATION SEIZED AND SWORN STATEMENTS, THE INVESTIGATION REACHES A GROUP OF PEOPLE CALLED THE "GRAIVER GROUP" AND AS OF THAT MOMENT THE PROBLEM PRESENTS TWO DIFFERENT CHARACTERISTICS: ONE WHICH IS PURELY ECONOMIC AND REFERS EXCLUSIVELY TO THE ILLEGAL HANDLING OF FOREIGN CURRENCY AND OTHER CONNECTIONS WITHIN THE COUNTRY AND ABROAD. THE SECOND ASPECT, BY FAR THE MOST IMPORTANT, IS THAT THE SO-CALLED "GRAIVER GROUP," WORKING IN FAVOR OF SUBVERSION, HAD RECEIVED MILLIONS OF DOLLARS AS DEPOSIT TO BE USED AS INVESTMENTS, IN THE COUNTRY AND ABROAD, FOR THE BENEFIT OF THE SUBVERSIVE MOVEMENT AND WITH THE KNOWLEDGE OF THOSE INVOLVED IN THE CASE.

"IN VIEW OF THE GRAVITY OF THE CASE, THE COMMANDER-IN-CHIEF OF THE ARMY CORPS I, IN WHOSE JURISDICTION THE CASE HAD TAKEN PLACE, ASKED THE COMMANDER-IN-CHIEF OF THE ARMY FOR THE DESIGNATION OF A HIGHER RANKING OFFICER IN THE CAPACITY OF MILITARY INVESTIGATING JUDGE "PREVENTOR" SO THAT IN FULFILLMENT OF LAW 21,460, A JUDICIAL INVESTIGATION COULD BE CARRIED OUT AND, IF APPROPRIATE, TRANSMITTED TO A COURT-MARTIAL.

"IN COMPLIANCE WITH THAT REQUEST, A GENERAL WAS APPOINTED AS  
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"PREVENTOR" AND, AS SUCH, IT IS HIS RESPONSIBILITY TO TAKE THE INITIAL STEPS, KEEP THE EVIDENCE, DETERMINE "'PRIMA FACIE' THOSE RESPONSIBLE, AND PUT TOGETHER THE FUNDAMENTAL EVIDENCE SO THAT THE TRIBUNAL ATTACHED TO THE CASE MAY PROCEED UPON THE TERMINATION OF THE FIRST STAGE BY THE "PREVENTOR". IT IS WORTH NOTING

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THAT DUE TO THE MAGNITUDE OF THE TWO ASPECTS OF THIS CASE, IT WILL BE NECESSARY AT A GIVEN MOMENT AND ON THE BASIS OF THE INITIAL RECORDED EVIDENCE, TO DEFINE THE AREAS OF COMPETENCE WHICH MAY ARISE IN CONFORMITY WITH THE TWO DIMENSIONS OF THE CASE: THE CASE OF COMMON ORDINARY CRIME IN THE ECONOMIC FIELD, AND THAT OF SUBVERSIVE CRIME.

"THE INITIAL STEPS HAVE ALREADY BEGUN AND HAVE BORNE FRUIT. UPON THE "PREVENTOR'S" ADVICE, THE MILITARY JUNTA ACTING BY MEANS OF THE INSTITUTIONAL RESPONSIBILITY ACT (THROUGH WHICH THE BEHAVIOR OF PEOPLE WHO HAVE ATTEMPTED TO TAKE LIVES OF OTHERS IS TO BE JUDGED), HAS DECIDED IN A RESOLUTION SIGNED TODAY TO INCLUDE THE FOLLOWING PEOPLE: JUAN GRAIVER; ISIDORO MIGUEL GRAIVER; LIDIA ELBA PAPALEO; RAFAEL IANOVEN; ORLANDO BENJAMIN REYNOSO; FRANCISCO FERNANDEZ BERNARDEZ, AND ALSO HEIRS TO THE 'ESTATE OF DAVID GRAIVER AND JORGE RUBENSTEIN, WITHOUT PREJUDICE TO THE FACT THAT IN THE PROSECUTION OF THESE PROCEEDINGS OTHER PERSONS MAY BE INCLUDED IN THE INSTITUTIONAL RESPONSIBILITY ACT.

"GENTLEMEN, PLEASE REST ASSURED, AND I BEG OF YOU THAT YOU TRANSMIT TO PUBLIC OPINION, THAT IT IS THE IRREVOCABLE DECISION OF THE MILITARY AUTHORITIES AND THE POLITICAL (AUTHORITIES?) AS WELL, TO CARRY THROUGH ON THIS CASE TO ITS ULTIMATE CONSEQUENCES."

3. VIDELA'S REMARKS AND THE TEXT OF THE JUNTA RESOLUTION (SEPTTEL) PLACING DAVID GRAIVER, HIS IMMEDIATE FAMILY AND CLOSE BUSINESS ASSOCIATES UNDER THE TERMS OF THE ACT OF INSTITUTIONAL RESPONSIBILITY APPEAR TO CONFIRM THE DEATH OF GRAIVER'S ADMINISTRATOR JORGE RUBENSTEIN. VIDELA DID NOT MENTION LA OPINION'S JACOBO  
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TIMERMAN AND ENRIQUE JARA IN HIS DISSERTATION AND, AS FAR AS WE CAN DETERMINE FROM A SURVEY OF THIS MORNING'S PRESS, THERE WAS NO EXPLICIT DISCUSSION OF THE REASONS FOR THEIR DETENTION DURING THE PRESS BRIEFING. (SEE SEPTTEL HOWEVER FOR TEXT OF ARMY COMMUNIQUE CITING LAW UNDER WHICH TIMERMAN IS BEING HELD.)

4. ON A SEPARATE ISSUE OF INTEREST TO THE DEPT, DURING THE QUESTION AND ANSWER PERIOD THE BRIEFERS READ A PREPARED RESPONSE TO A QUESTION WRITTEN IN BEFOREHAND BY THE LOCAL REPRESENTATIVE CONCERNING WHETHER THERE HAD BEEN ANY INPUT FROM THE US MILGP

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OR US COUNTERINSURGENCY EXPERIENCE GAINED FROM VIETNAM IN ARGENTINA'S WAR AGAINST SUBVERSION. THE SECOND PART OF THE QUESTION WAS WHETHER, IN LIGHT OF THE REDUCTION OF US MILITARY AID TO ARGENTINA ON ACCOUNT OF SUPPOSED VIOLATIONS OF HUMAN RIGHTS IN ARGENTINA, THERE WAS ANY DIFFERENCE BETWEEN THE WAY THE ARGENTINES WERE FIGHTING THEIR WAR AGAINST SUBVERSION AND THE TECHNIQUES IMPARTED TO THE ARGENTINE ARMY BY "US INSTRUCTORS" OR OTHER US OFFICERS WHO OTHERWISE HAVE HAD CONTACT WITH THE ARGENTINE MILITARY. THE PREPARED REPLY WAS AS FOLLOWS: THERE NEVER WAS A NUMEROUS US MILITARY MISSION IN ARGENTINA; THE WAR AGAINST SUBVERSION IN ARGENTINA IS BASED ON ARGENTINE DOCTRINE, THE SPECIFIC ARGENTINE SITUATION AND THE EXPERIENCE IN OTHER COUNTRIES; IN ORDER TO DEFEAT SUBVERSION IN ARGENTINA, THE ARMED FORCES DEVELOPED THEIR OWN DOCTRINE; FOR THIS WAR THE ARGENTINES HAVE HAD NO NEED OF INSTRUCTORS OR MENTORS, WHO COULDN'T HAVE HELPED ANYWAY SINCE THE SUBVERSION IN ARGENTINA DIFFERS SIGNIFICANTLY FROM THAT ELSEWHERE; SPECIFICALLY THE SITUATION IN VIETNAM BEARS NO SIMILARITY TO THE SUBVERSION IN ARGENTINA SINCE MARXIST SUBVERSION ADAPTS ITS TACTICS TO THE PARTICULAR TERRAIN IN WHICH IT OPERATES; AND CONSEQUENTLY "WE HAVE NOT COMPARED METHODS, NOR ACCEPTED SUGGESTIONS, NOR EVEN ANALYZED RESULTS (JOINTLY)."

5. FURTHER DETAILS OF THE PRESS CONFERENCE WILL FOLLOW.  
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